

STATE OF HAWAII
REQUEST FOR EXEMPTION FROM CHAPTER 103F, HRS

04 OCT 19 P3:02

To: Chief Procurement Officer

From: Department of Labor and Industrial Relations (DLIR) / Office of Community Services (OCS)
Department/Division/Agency

ADMINISTRATION
~~STATE PROCUREMENT OFFICE~~
~~STATE OF HAWAII~~

Pursuant to § 103F-101(a)(4), HRS, and Chapter 3-141, HAR, the Department requests a procurement exemption to purchase the following:

Title and description of health and human service(s):

Title: Employment Core Services for Low-Income Persons

Description: Comprehensive employment core services and activities that directly prepare and train unemployed and under-employed low-income persons in obtaining and maintaining gainful employment. Assists low-income persons to overcome multiple barriers to employment and overcome lack of skills and work experience to find and attain a job. Scope of work includes outreach and intake, assessment and service planning, employment preparation, job acquisition and maintenance, and case management.

Provider Name:	Total Contract Funds:	Term of Contract:
	\$1,250,000	From: 09/01/04 To: 08/31/05
1. Big Island Substance Abuse Council (BISAC)		
2. Child and Family Service (CFS)		
3. Goodwill Industries of Hawaii, Inc. (GIH)		
4. Hawaii County Economic Opportunity Council (HCEOC)		
5. Honolulu Community Action Program, Inc. (HCAP)		
6. Ka Lima O Maui (Ka Lima)		
7. Kauai Economic Opportunity, Inc. (KEO)		
8. Maui Economic Opportunity, Inc. (MEO)		
9. Ocean View Community Association, Inc. (OVCA)		
10. ORI Anuenue Hale, Inc. (ORI)		
11. Pacific Gateway Center (PGC)		
12. Parents and Children Together (PACT)		
13. Winners At Work, Inc. (WAW)		

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Provider Address:	Contract Funds per Year (as applicable).	
1. BISAC. 234 Waianuenue Ave., Suite 104, Hilo, HI 96720	77,876	
2. CFS. 91-1841 Ft. Weaver Road, Ewa Beach, HI 96706	92,478	
3. GIH. 2610 Kili Hau St., Honolulu, HI 96819-2020	184,955	
4. HCEOC. 47 Rainbow Dr., Hilo, HI 96720	77,876	
5. HCAP. 1109 Maunakea St., 2 nd Floor, Honolulu, HI 96817-5156	102,212	
6. Ka Lima. 95 Mahalani St., Wailuku, HI 96793	71,335	
7. KEO. P.O. Box 1027, Lihue, HI 96766	78,850	
8. MEO. P.O. Box 2122, Kahului, HI 96733	120,708	
9. OVCA. P.O. Box 6016, Ocean View, HI 96737-6016	78,850	
10. ORI. 64-1510 Kamehameha Hwy., Wahiawa, HI 96786-2915	73,009	
11. PGC. 720 N. King St., Honolulu, HI 96817	92,478	
12. PACT. 1485 Linapuni St., Suite 105, Honolulu, HI 96819	106,895	
13. WAW. 414 Kuwili St., Suite 103, Honolulu, HI 96817	92,478	

Explanation describing how procurement by competitive means is either not practicable or not advantageous to the State:

Presently, executed Purchase of Services (POS) contracts exist for statewide Employment Core Services with all aforementioned providers. These Employment Core Services have already been competitively procured under Chapter 103F, Health and Human Services. If these employment services had to once again go through the procurement process, it can be assumed that by replacing state general funds with the more restrictive federal Temporary Assistance for Needy Families (TANF) monies will not likely encourage new or additional applicants to submit new proposals. It is definitely a fact that there will be a break in on-going services, clients will suffer from program disruption, and forced lay-offs of staff will occur. Given the short time period of the current contract from September 2004 through June 2005; the providers currently operating efficient and effective employment core service programs statewide; the more restrictive nature of the TANF monies compared to state general POS funds; and that these services have been competitively procured before, requiring procurement by competitive means is not practicable and advantageous to the State at this time.

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Details of the process or procedure to be followed in selecting the service provider to ensure maximum fair and open competition as practicable:

To ensure maximum fairness as practical, only current service providers or awardees that were selected through the previous competitive process are eligible to receive these TANF/Temporary Assistance to Other Needy Families (TAONF) funds. Service providers are eligible to receive reimbursements only up to the full amount of their funding award. The original service providers and awarded amounts selected via the competitive process remains the same.

A description of the state agency's internal controls and approval requirements for the exempted procurement: Upon approval of a request for exemption, the assigned Program Specialist will enter into negotiations with the respective agencies and review the required terms and conditions to receive TANF reimbursement. During this process, the Program Specialist will be consulting with the Benefits, Employment and Support Services Division (BESSD) Administrator and her assigned staff to ensure that appropriate TANF eligibility data is collected and proper invoicing format is being used. Meanwhile, the Contracts Officer will process and execute supplemental agreements to account for compensation and payment as well as other contractual amendments and secure the appropriate signatures from the provider, DLIR Director, Department of the Attorney General and OCS. During the term of the contract, the Program Specialist, under the supervision of the Program Administrator (who also serves as the Contracts Officer), will provide direct administrative oversight of the program, establish performance outputs and outcomes for each provider, and conduct on-going desk review and on-site monitoring, as needed. The Program Specialist working with each provider will establish a tracking process to document and verify that individuals being submitted for monthly TANF reimbursements have successfully completed specific milestone steps. Through this process, OCS will manage and monitor the activities of the service providers in compliance with TANF/TAONF requirements, services and objectives.

The OCS Contracts Officer further discussed with Deputy Attorney General (AG) Staci I. Teruya, who conferred with her supervisor, on whether the use of federal funds in place of state POS monies constituted a fundamental or material change. In response, Deputy AG Teruya stated in a phone call on the morning of September 24, 2004, that it was determined that changing the source of funds was not a fundamental or material change. However, The Deputy AG stipulated that OCS shall specify the new source of funds and indicate the specific amounts of state/federal monies via Supplemental Agreements. Contractors will also be required to sign the appropriate federal certifications.

Though TANF funds are more restrictive as previously mentioned, the overall benefits of supplementing state funds with TANF monies far outweighs any minimal effects the target group may experience.

A list of state agency personnel, by position title, who will be involved in the approval process and administration of the contract:

Nelson B. Befitel, DLIR Director
Lillian B. Koller, DHS Director
Patricia Murakami, Administrator, DHS BESSD
Sam Aiona, OCS Director
Conan Akau, OCS Accountant
Michael Hane, OCS Program Specialist
Keith Yabusaki, OCS Contracts Officer

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Direct questions to (name & position): Keith Yabusaki OCS Contracts Officer	Phone number: 6-8680	e-mail address: Keith.Y.Yabusaki@hawaii.gov
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This exemption should be considered for list of exemptions attached to Chapter 3-141, HAR: Yes ☐ No ☒

I certify that the information provided above is to the best of my knowledge, true and correct.



Department Head Signature

OCT 14 2004

Date

Nelson B. Befitel

Typed Name

Director

Position Title

Chief Procurement Officer's Comments:

Please ensure adherence to applicable administrative requirements.

☐ Approved

☐ Denied

Chief Procurement Officer

Date

cc: Administrator
State Procurement Office




STATE OF HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
830 PUNCHBOWL STREET
HONOLULU, HAWAII 96813

October 14, 2004

TO: Aaron Fujioka, Administrator
State Procurement Office

ATTN: Mara Smith, Health and Human Services Program Manager
State Procurement of Health and Human Services (SPOH)

FROM: Nelson B. Befitel, Director 
Department of Labor and Industrial Relations

SUBJECT: Requests for Exemptions from Chapter 103F, HRS

In accordance with Chapter 103F, HRS, Part I. General Provisions, [§103-101] Application of this chapter, (a)(4), the Department of Labor and Industrial Relations respectfully requests an exemption from the procurement of Employment Core Services for Low-Income Persons. The Request for Exemption form SPO-H-150 is enclosed.

If you have any questions regarding this request, please call me at 586-8844, or, your staff may contact Mr. Sam Aiona, Executive Director of the Office of Community Services, at 586-8678. Thank you for your consideration of this request.

Enclosure

c: Patrick Fukuki, Business Management Officer
Administrative Services Office

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04 OCT 19 AM 02:25